

November 2, 2012

William Grant  
Deputy Commissioner Minnesota Department of Commerce  
85 7<sup>th</sup> Place East, Suite 500  
St Paul, MN 55101-2198

RE: Distributed Generation Assessment

Deputy Commissioner Grant:

I am a solar homeowner. I have done something that relatively few have done, which is to invest in my own clean power generation. I am also an Xcel Energy rate payer and Xcel Energy stockholder. In the past 6 years since I installed my first system I have seen the technology increase at a very robust pace and have seen jobs grow in this sector of the economy even though it has been relatively stagnant in the rest of the economy. From an economic growth standpoint, PV-DG is essential to our future in Minnesota manufacturing, transportation logistics, construction and more.

In recent news Xcel Energy has commented that generation needs are down; mainly due to the economy and to two major plant closings (Ford and Verso), and they plan to raise rates because of this demand decrease. Additionally, Xcel Energy is continuing plans to increase output from its Monticello Nuclear plant and potentially build a gas generation plant after 2017. What part of the supply and demand curve of marketplace economics does this utility operate on? Did you notice that gasoline prices have fallen due to less demand?

I understand that there are public maintenance needs of maintaining the grid. This is one of the areas that PV-DG shines. PV-DG actually extends the life of our current infrastructure. In the areas that PV-DG has been installed, how many less brownouts were there in neighborhoods during peak demand this summer? How much could the need of expensive peak generation be curbed? PV-DG is much easier and less expensive to startup and shutdown than a peak generator.

PV-DG allows everyone to participate in our future economic growth. PV-DG creation follows standard economic market principals. Once built, PV-DG requires much less maintenance than a current generation plant and does not ever require expensive upgrades to clean up its output. There is no need to store waste - whether it is in a cask or an ash pond. In addition, there are health and environmental benefits which should be considered a public good. In essence, PV-DG should be considered essential infrastructure and have greater value.

As a shareholder I would like to see Xcel Energy take a lead in PV-DG. They should re-consider the 600MW of a proposed gas-plant after 2017, and turn that proposal instead into 600MW of PV-DG. We should not go into the future waiting for it to happen, we should go into the future boldly by "making it happen." This would be responsible by nature.

Sincerely,  
Daniel Williams  
11451 Oregon Avenue N  
Champlin, MN 55316